

**SUMMARY ANALYSIS OF AMENDED BILL**

Author: Cook, et al. Analyst: Jennifer Bettencourt Bill Number: AB 3016  
 Related Bills: See Prior Analysis Telephone: 845-5163 Amended Date: April 8, 2008  
 Attorney: Patrick Kusiak Sponsor: \_\_\_\_\_

**SUBJECT:** California Military Family Relief Fund/Contributions Used To Provide Financial Aid Grants To Reserve Members Of The U.S. Armed Forces/Extends Repeal Date To January 1, 2014

\_\_\_\_ DEPARTMENT AMENDMENTS ACCEPTED. Amendments reflect suggestions of previous analysis of bill as introduced/amended \_\_\_\_\_.

\_\_\_\_ AMENDMENTS IMPACT REVENUE. A new revenue estimate is provided.

\_\_\_\_ AMENDMENTS DID NOT RESOLVE THE DEPARTMENTS CONCERNS stated in the previous analysis of bill as introduced/amended \_\_\_\_\_.

\_\_\_\_ FURTHER AMENDMENTS NECESSARY.

\_\_\_\_ DEPARTMENT POSITION CHANGED TO \_\_\_\_\_.

\_\_\_\_ REMAINDER OF PREVIOUS ANALYSIS OF BILL AS INTRODUCED  
X February 22, 2008, STILL APPLIES.

X OTHER – See comments below.

**SUMMARY**

This bill would eliminate the sunset date for the California Military Family Relief Fund (Fund).

This bill would also make changes to the recipients of the financial aid grants and specify additional eligibility requirements.

**SUMMARY OF AMENDMENTS**

The April 8, 2008, amendments would delete the sunset date for the Fund and add several coauthors. The amendments would also make other administrative changes related to how the Fund contributions are distributed. As a result of the amendments, a policy concern has been identified, and the "This Bill" section of the department's analysis of the bill as introduced February 22, 2008, has been revised. Except for the discussions in this analysis, the analysis of this bill as introduced February 22, 2008, still applies.

Board Position:

\_\_\_\_ S                      \_\_\_\_ NA                      \_\_\_\_ NP  
 \_\_\_\_ SA                    \_\_\_\_ O                      \_\_\_\_ NAR  
 \_\_\_\_ N                      \_\_\_\_ OUA                  X PENDING

Asst. Legislative Director

Date

Patrice Gau-Johnson

4/11/08

## **ANALYSIS**

### **THIS BILL**

This bill would delete the repeal date of January 1, 2010, for the California Military Family Relief Fund. Assuming the amount of contributions remain at or above the minimum contribution amount for a calendar year, this fund would remain on the personal income tax (PIT) return indefinitely.

This bill would expand the recipient of financial aid grants from members of the California National Guard to all reserve members of the Armed Forces of the United States who are California residents. Requirements would be established to mandate how money contributed to the Fund would be distributed between the California National Guard and all reserve members of the Armed Forces of the United States.

This bill would provide additional qualifications and requirements to be met in order to receive a financial aid grant from the Fund.

## **POLICY CONCERN**

All but one of the provisions that require a voluntary contribution fund (VCF) to appear on the PIT return has a repeal date. The California Seniors Special Fund is the only VCF that does not have a repeal date, and only allows individuals that are 65 years or older to contribute no more than \$182 or \$91 per spouse/partner. Contributions to existing VCFs and to the Fund that would be created by this bill would not be limited.

Including a repeal date provides a mechanism for limiting the period during which a VCF can use a tax return to receive contributions. This could be significant if, due to space constraints on the PIT return, FTB utilizes the general provision to place a new VCF in queue until another VCF is removed.

## **LEGISLATIVE STAFF CONTACT**

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